

STATE OF SOUTH CAROLINA

(Caption of Case)

Approval of Amendment to Contract for
Electric Service Between South Carolina
Electric & Gas Company and Owen Electric
Steel of South Carolina d/b/a CMC Steel
f/k/a SMI Steel

193218
BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET
NUMBER: 1997 - 294 - E

(Please type or print)

Submitted by: Benjamin P. Mustian

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Columbia, SC 29202

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition

☐ Request for item to be placed on Commission's Agenda expeditiously

☒ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input checked="" type="checkbox"/> Proposed Order	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other: _____	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

Print Form

Reset Form

WILLOUGHBY & HOEFER, P.A.

ATTORNEYS & COUNSELORS AT LAW

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TRACEY C. GREEN
SPECIAL COUNSEL

May 30, 2008

VIA HAND-DELIVERY

The Honorable Charles L.A. Terreni
Chief Clerk/Administrator
Public Service Commission of South Carolina
101 Executive Center Drive
Columbia, South Carolina 29210

RECEIVED
2008 MAY 30 PM 2:35
SOUTH CAROLINA
PUBLIC SERVICE
COMMISSION

RE Approval of Amendment to Contract for Electric Service between South Carolina
Electric & Gas Company and Owen Electric Steel of South Carolina d/b/a CMC
Steel f/k/a SMI Steel
Docket No. 1997-294-E

Dear Mr. Terreni:

Enclosed for filing are the original and one (1) copy of the Proposed Order Approving Contract Amendment in the above-referenced matter. The Office of Regulatory Staff has been consulted and has not raised any objections to the above-mentioned Proposed Order. By copy of this letter, I am serving a copy of these documents upon the Office of Regulatory Staff and enclose a Certificate of Service to that effect.

I would appreciate your acknowledging receipt of this Proposed Order by date-stamping the extra copy that is enclosed and returning the same to me via our courier.

If you have any questions, or if you need any additional information, please do not hesitate to contact me.

Sincerely,

WILLOUGHBY & HOEFER, P.A.



Benjamin P. Mustian

The Honorable Charles L.A. Terreni

May 30, 2008

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BPM/cf

Enclosures

cc: Nanette Edwards
K. Chad Burgess

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SC PUBLIC SERVICE
COMMISSION

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 1997-294-E – ORDER NO. 2008-_____
MAY __, 2008

IN RE:

Request of South Carolina Electric & Gas
Company for Approval of a Contract for Electric
Service between the Company and SMI Steel.

**ORDER APPROVING
CONTRACT AMENDMENT**

This matter comes before the Public Service Commission of South Carolina (the “Commission”) on the request of South Carolina Electric & Gas Company (“SCE&G” or the “Company”) for approval of an amendment (“Amendment”) to the contract for electric service between the Company and Owen Electric Steel of South Carolina d/b/a CMC Steel f/k/a SMI Steel (“CMC Steel”).

SCE&G currently serves CMC Steel’s plant containing its arc furnace located in Cayce, South Carolina pursuant to an Interruptible Service Agreement. This contract was originally approved by the Commission in Order No. 97-696, dated August 12, 1997, and Order No. 97-825, dated September 24, 1997, in Docket 97-294-E. Thereafter, the Commission approved an amendment to the contract in Order No. 2005-345, dated June 20, 2005. SCE&G now seeks approval to further amend this contract to modify the terms and rates stated therein.

SCE&G also requests that the Commission find that the Amendment contains highly confidential and sensitive information which should be protected and issue a protective order barring the disclosure of the Amendment under the Freedom of Information Act, S.C. Code Ann. §§ 30-4-10 *et seq.*, S.C. Code Ann. Regs. 103-804(S)(1), or any other provision of law, except in

redacted form. SCE&G states in its request that certain provisions of the Amendment contain commercially sensitive and proprietary information. SCE&G also states that these facts in light of the highly competitive nature of the steel industry support designating this document as confidential. Further, SCE&G requests that the Commission issue an order directing the Commission Staff to return to SCE&G or its representative the unredacted copy (and any copies made) of the Amendment between the Company and CMC Steel.

The South Carolina Office of Regulatory Staff (“ORS”) is a party of record to this proceeding pursuant to S.C. Code Ann. § 58-4-10(B) (Supp. 2007). By letter dated May 7, 2008, ORS informed the Commission that it does not oppose SCE&G’s request to amend the contract with CMC Steel.

Based upon a careful examination of the Amendment and SCE&G’s request, we find the Amendment to be fair and reasonable and hereby approve it as filed with an effective date of October 9, 2007, the date the Amendment was signed by SCE&G and CMC Steel.

Further, based upon SCE&G’s assertions and the Commission’s careful examination of the terms of the Amendment, the Commission finds that the Amendment contains commercially sensitive information and that the proprietary nature of certain provisions of the Amendment coupled with the highly competitive nature of the steel industry support the designation of this document as confidential.

The South Carolina Freedom of Information Act (“FOIA”) allows proprietary business information that meets the definition of “trade secrets” to be exempt from disclosure. S.C. Code Ann. Section 30-4-40(a)(1) states that matters which may be exempt from FOIA include: “(1) Trade secrets, which are defined as unpatented, secret, commercially valuable plans, appliances, formulas, or processes Trade secrets also include, for those public bodies who market services

or products in competition with others, feasibility, planning, and marketing studies, and evaluations and other materials which contain references to potential customers, competitive information or evaluation.” Further, pursuant to 26 S.C. Code Ann. Regs 103-804(S)(2), it is within the Commission’s discretion to issue an order protecting a document from public disclosure.

Based upon a review of the information that SCE&G seeks to protect, we find that the information contained in the Amendment falls within the definition of materials which may be exempted from disclosure under FOIA. Because of the potential harm to SCE&G’s business and practices, we find a protective order should be issued protecting the redacted information from public disclosure. Further, based upon SCE&G’s assertions and the Commission’s careful examination of the terms of the Amendment, the Commission agrees with SCE&G and so finds that the Amendment is highly confidential and commercially sensitive. The Commission therefore directs the Commission Staff to return any and all copies of the unredacted Amendment to SCE&G without a copy or copies being maintained in the Commission’s files.

IT IS THEREFORE ORDERED THAT:

1. The Amendment to the contract between South Carolina Electric & Gas Company and Owen Electric Steel of South Carolina d/b/a CMC Steel f/k/a SMI Steel is fair and reasonable and is hereby approved.
2. The request of SCE&G for confidential treatment is granted. Accordingly, the Amendment shall be declared confidential, shall be afforded confidential treatment, and shall be protected from public disclosure pursuant to the provisions of S.C. Code Ann. Section 30-4-

40(a)(1), 26 S.C. Code Ann. Regs 103-804(S)(2) and other applicable law. A redacted version of the Agreement will be made available for public review.

3. The Commission Staff is directed to return to SCE&G or its representatives any and all copies of the unredacted Amendment between SCE&G and Owen Electric Steel of South Carolina d/b/a CMC Steel f/k/a SMI Steel without maintaining a copy in the Commission's files.

4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

G. O'Neal Hamilton, Chairman

ATTEST:

C. Robert Moseley, Vice-Chairman

(SEAL)

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 1997-294-E

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SC PUBLIC SERVICE
COMMISSION

IN RE:

Approval of Amendment to Contract)
for Electric Service between South)
Carolina Electric & Gas Company)
and Owen Electric Steel of South)
Carolina d/b/a CMC Steel for SMI Steel)
_____)

CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this day one (1) copy of the
Proposed Order by placing same in the care and custody of the United States Postal
Service with first class postage affixed thereto and addressed as follows:

Nanette S. Edwards, Esquire
Deputy General Counsel
Office of Regulatory Staff
Post Office Box 11263
Columbia, South Carolina 29211

Clark Fancher
Clark Fancher

Columbia, South Carolina
May 30, 2008